

The culture and moral compasses

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The paper "The Culture and Moral Compasses" is a wonderful example of an essay on culture. Organizational culture depicts deeply rooted ideologies, principles and beliefs that are held by an organization. They could be abstract but strictly control the relationship and behaviour of employees but most importantly paint the external image of the enterprise. These set of shared belief form the bridge that links the leadership of an organization with their staff while propelling them towards achieving the goals and objectives of the organization. Therefore, organizational culture plays a major role in creating brand identity, attracting and retaining talents, improving staff loyalty and brings about a sense of direction in the company (Scheiner, 2016). All these tenets are vital to the success and growth of a company. Amazon, just like any other giant retail shop, has an asset of unique cultural practices that makes them stay afloat in the market. This paper will seek to give an in-depth analysis of the contribution of Amazon's cultural orientation to its success.

Amazon's success story is a remarkable one since it is not tied to the introduction of a new product in the market but that of disruption. Unlike brick-and-mortar stores such as Wal-Mart which thrive on the introduction of new products in the market, Amazon built its reputation from constantly innovating existing services while employing new strategies to foster customer satisfaction. After disrupting the market with innovated products, they then adopted a pricing policy that was lower than that prevailing in the market by opting for a cost structure that did not incur the burden of running several storefronts (Schepp, 2009). This enabled them to offer quality goods, competitive prices and the convenience of fast deliveries. Amazon has heavily invested in product diversification by offering by literally offering <https://assignbuster.com/the-culture-and-moral-compasses/>

myriad products ranging from books, electronics, household items, clothing, grocery and beauty products. This has facilitated its market dominance as a one-stop online retail store with depth in reach hence retaining its relevance, expansion and growth.

Amazon- a company that surprised analyst by hitting the \$100 billion thresholds in annual revenue collection in 2015, grew its annual revenue by 27% and has been continuously profitable for eight consecutive financial quarters. Moreover, it was ranked as the second best company in the Top Companies to Work For list released by LinkedIn while scooping all customer service awards. Such a company has to have key values that catapult it to that stature. Jeff Bezos, one of the founders and CEO of Amazon has attributed the success story to fundamental operating principles and credits the achievements three distinctive values as discussed below.

1. Embracing failure as an incentive for innovation.

Most companies shy from failure thus often trying to minimize losses by maintaining tried and tested techniques no matter how obsolete or outdated they have proved to be. They compete by minimizing cost at the expense of reducing inefficiencies through the adoption of new technological techniques of production and marketing. Jeff Bezos commentary from Amazon's 2015 annual reports states that: "one area where I think we are especially distinctive is a failure. I believe we are the best place in the world to fail, and failure and invention are inseparable twins...To invent you have to experiment, and if you know in advance that it's going to work, it's not an experiment." He lays emphasis on the significance of risky experiments on the future success of an organization. The value of accepting failure allows the company to determine its optimal path while exploring new techniques

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of value addition which is key to business success (Barrett, 2017).

2. Putting the customers first.

Amazon is obsessed with maintaining customer loyalty by improving customer-related service. This obsession brews a feeling of intimacy thus maintain unmatched client relationship. They have developed a platform in which they maintain customer touch by constantly communicating, observing and collecting their views. Further, they have instituted helpful tools that enable customers to track consignments and quickly returning packages in case of default. In ensuring that they achieve their mission of becoming the most customer-centric-company globally, they have invested in social media as a tool for engaging their customers. Amazon appreciates that transforming customers into ambassadors is the foundation of customer loyalty.

3. Discipline, passion, and professionalism at work.

In 2015, the New York Times reported on the workplace ethics of Amazon and described it as “sometimes-punishing” and exhibits “purposeful Darwinism” in the management of its employees. In response, the CEO indicated that Amazon will operate as if it is a startup and every day is the first day at work (Ashkanasy, 2011). For their employees, it is always Day 1 at work. This means that the passion and zeal to perform is forever rejuvenated. They have embraced a sense of urgency in operation thereby ensuring efficiency and quick decision-making processes.

Amazon’s strategy of diversification is a critical pillar in maximizing its strength. Engaging in appropriate portfolio mix minimizes risk and attracts one-stop buying. Further, it ensures constant revenue flow into the business ensuring that it breaks even. Diversification is one concept that is supported <https://assignbuster.com/the-culture-and-moral-compasses/>

by the culture and values of Amazon since it is one of the components of innovation.

In conclusion, it is evident that a mix of culture, strategy and values are the key tenets that hold Amazon as a successful global retail store. It continues to explore and gain access to new markets because of their appetite for experimentation and boldness in risk-taking.